

CONFIDENTIAL
Security Information

19 December 1952

Progress Report

MEMORANDUM FOR: Special Assistant to Deputy Director (Administration)

SUBJECT: Progress Report on NSC 50

With respect to the request set forth in your memorandum of 15 December 1952, the following items are noted concerning the major activities with which this office was concerned during 1952:

1. TAX PROBLEMS. A comprehensive review has been made of the complex tax problems peculiar to covert operations and those not already provided for are the subject of a staff study now in preparation which will recommend steps to a better solution.

2. LEGISLATION. In coordination with the various offices concerned, legislation has been drafted for introduction in the new Congress. This legislation is designed to enhance the Agency's standing and to cure certain existing statutory impediments.

3. EXECUTIVE ORDERS. This office drafted and helped nego-

[redacted]
argument to the Bureau of the Budget an Executive Order which would create an Intelligence Medal.

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4. This office assisted in the preparation of amended Section 9.4 of the Confidential Funds Regulations designed to improve administration of complex covert operations.

5. This office represented the Agency in a court case in which, because of the involvement of intelligence source and method, two employees were ordered to refuse to testify, and as a result, were cited for contempt. The importance of this issue between the Judicial and Executive Branch was recognized by the granting of a full and unconditional Presidential pardon to the CIA employees.

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6. This office assisted the Procurement Office in the legal aspects of reorganizing [redacted] and settling various issues in connection therewith.

7. This office continued its prime function of advising all officers and divisions of the Agency on legal problems arising in the course of official business.

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LAWRENCE R. HOUSTON
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OGC/LRH:mb

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